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A "CHINA MODEL" FOR THE "NEW ERA"

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The "extraordinary elevation" of Xi Jinping -Donald Trump's description of the result of 19th National Congress of the Communist Party of China (CPC)- echoes the extraordinary rise of China as a geoeconomic superpower after Deng Xiaoping inaugurated the "reform and opening up" policy in 1978. Geoeconomic power tends to become geopolitical power. This is Xi Jinping's mid- to long-term objective. He has divided the history of the socialist revolution in China into three 30-year periods: the first dominated by "Mao Zedong Thought", the second dominated by "Deng Xiaoping Theory", and the new period to be dominated by "Xi Jinping Thought" on "socialism with Chinese characteristics for the New Era". The "West" characterises China as an "emerging" economy. In historical terms China is re-emerging. It is returning to the pre-eminent position it held in the world economy before being subjected to Western imperial aggression in the 19th century. This is the essence of Xi's "China Dream". He defines it as the "rejuvenation" of China. In traditional Chinese terms, this means the consolidation of wealth and military power, two of the major themes of his political report to the National Congress. The first priority is to consolidate and maintain the CPC's control of the political system. The second is to improve the people's standard of living. The third is to "take centre stage" in world affairs. Taking centre stage involves the "China Model" of economic development and the modernisation and the strengthening of Chinese military power. Xi's political report clearly states his confidence in China's ability to become the "alternative" to the Western neoliberal model in the emerging world order that China will lead in the 21st century, a Pax Sinica.

The fact that China and the China Model could become the alternative for the new era is a symptom of the obsolescence of the existing model -the post-World War II model based on Bretton Woods-type supranational institutions dominated by America and Europe. The Western neoliberal model was defined by the "Washington Consensus". What Xi calls the China Model has been referred to as the "Beijing Consensus". China's emergence as an economic superpower has coincided with the rapidly accelerating decline of two of the imperial powers that dominated world affairs since the 18th century. The pro-Brexit vote in the UK reflects a deep-rooted, outdated and futile nostalgia for the lost British Empire and the Pax Britannica. Trump's call to "Make America Great Again" is at the same

time an admission that the US is no longer great. The election of Trump reflects a deep-rooted, outdated and futile nostalgia for the lost American Empire and the Pax Americana. Both cases represent a 180° turn in geopolitical strategy, away from free trade and international cooperation toward protectionism and isolationism. In his criticism of the policies of Trump, John McCain has eloquently summarised the role that the US played in world affairs on the basis of a set of ideals that the Trump Administration has abandoned, thereby contradicting a US foreign policy tradition that stretches back over three-quarters of a century. McCain insists that the US has done good in the world while exercising world leadership, that the US has a moral obligation to continue to do so, that not continuing to do so would bring shame on the US, and that the US would not deserve to thrive in a world where US ideals and leadership were absent.

Donald Trump's "America First" policy has eliminated the moral authority of the US in world affairs. He has provoked Angela Merkel into warning EU leaders that they can no longer rely on the US. The rejection of free trade and the rejection of any attempt to combat climate change have isolated the US in the new world order, as has Brexit in the case of the UK (and the EU has come to realise that the loss of the UK may not be such a bad thing). America's obsession with controlling the Middle East made the US abandon other regions of the world. This facilitated China's rise as a regional power in Asia. Chinese investments overseas have allowed China to become a major source of foreign aid to Africa and Latin America, displacing the US and the EU. The strongest defender of free trade on a global scale at Davos is Xi Jinping. The US attempt to stop its NATO allies from joining the new Asian Infrastructure Investment Bank (AIIB) that was promoted by China was a dismal failure. The AIIB has become an alternative to the World Bank and the International Monetary Fund (IMF) and has thereby diluted the control that Europe and the US can exercise over developing nations. China promotes South-South cooperation in international organisations, at the expense of North-South asymmetrical relations. China's "Belt and Road Initiative" to build transport infrastructures across the Eurasian continent and the Indian Ocean will transform the economies of the participating countries, especially in Central Asia. It will also shift the balance of power in Afro-Eurasia, displacing the role of the 7th Fleet of the US Navy as the arbiter of hard power in the region.

Today, as in the past, China has opted for trade and commerce as the means to maintain a peaceful and stable world order, rather than expansionism and military dominance. China offers a win-win situation in the new era that Xi has proclaimed. It offers the creation of an economic interdependence based on equality, mutual respect and mutual profit. China wins in this situation, but so do its partners. The US intelligence community has recognised the decline of America's ability to impose its will on the world or to maintain its dominance over both the Eastern and the Western hemisphere and is calling for new strategies to protect US interests in a world no longer dominated by the US. Donald Trump and his supporters are not listening. They are worried about short-term electoral results, a problem that does not impede Xi Jinping's leadership of China's long march to centre stage.